1 Ford Greene California State Bar No. 107601 JUN 06 1994 HUB LAW OFFICES 711 Sir Francis Drake Boulevard HOWARD HANSON 3 San Anselmo, California 94960-1949 MARIN COUNTY CLERK Telephone: (415) 258-0360 BY: E. Keswick, Deputy Telecopier: (415) 456-5318 4 5 Attorney for Defendant and Cross-Complainant GERALD ARMSTRONG 6 7 SUPERIOR COURT OF THE STATE OF CALIFORNIA 8 FOR THE COUNTY OF MARIN 9 10 CHURCH OF SCIENTOLOGY INTERNATIONAL,) No. 157 680 a California not-for-profit 11 religious corporation, DECLARATION OF DEFENDANT IN SUPPORT OF MOTION TO 12 Plaintiff, COMPEL FURTHER RESPONSES TO REQUESTS FOR PRODUCTION 13 VS. AND FOR MONETARY SANCTIONS GERALD ARMSTRONG; MICHAEL WALTON; 14 THE GERALD ARMSTRONG CORPORATION, 15 a California for-profit corporation; DOES 1 through 100, inclusive, 16 Date: 7/1/94 17 Defendants. Time: 2:30 p.m. Dept: Referee Benz Trial Date: 9/29/94 18 19 20 RECEIVED 21 22 JUN 07 1994 23 **HUB LAW OFFICES** 24 25 26 27 28

HUB LAW OFFICES Ford Greene, Esquire 711 Sir Francis Drake Blvd. San Anselmo, CA 94960 (415) 258-0360

Page 1.

- 1. I am a defendant in the case of <u>Church of Scientology</u>

 <u>International v. Gerald Armstrong, Michael Walton and The Gerald</u>

 <u>Armstrong Corporation, Marin Superior Court case no. 157680.</u>
- 2. I am making this declaration to support a motion to compel plaintiff to produce documents requested by me.
- 3. I was inside Scientology from 1969 through 1981, worked with L. Ron Hubbard throughout most of those years, was the intelligence, legal and public relations officer under Hubbard on his yacht during the early 1970's, was in charge of his household unit at Gilman Hotsprings, California, and did the research for his biography in 1980 and 1981. I am familiar with Scientology's policies and organization terms and structure. I have been Scientology's perceived "enemy" since 1981 and am familiar with much of its litigation against "enemies" and its litigation practices.
- 4. Attached hereto as Exhibit A is a copy of a declaration executed by Lawrence Heller, attorney for Scientology, on November 1, 1989. I am familiar with this declaration because it was filed in the case of Corydon v. Scientology, Los Angeles Superior Court No. C 694401 in support of a motion brought by Scientology to prevent, pursuant to the 1986 "settlement agreement," my deposition from proceeding. I had been subpoenaed by Corydon for a deposition and Scientology sought to prevent it.
 - 5. I was the client of attorney Michael Flynn from 1982

through 1986, and worked with him in his Boston, Massachusetts law firm for 16 months in 1985 and 1986. I am familiar with attacks on Mr. Flynn by Scientology through those years, and was present when Mr. Flynn described other attacks, about which I did not have personal knowledge. I have detailed my knowledge of the organization's attacks on Mr. Flynn in several declarations since 1984. I know that the Scientology organization attempted to frame him with the attempt to cash a forged check on one of L. Ron Hubbard's bank accounts. I know that the organization mounted what it calls a "black PR" campaign against him internationally. I know that the organization paid known felons to attack him as part of its fair game campaign against him. I am aware that the fair game campaign threatened his marriage and career. I know that the organization sued him many times and filed many bar complaints against him. I was present when he described an attempt to murder him by tampering with the fuel system in his private plane.

- 6. Attached hereto as Exhibit B is a copy of two pages from a document called a "dead agent pack," and the documents referred to in the section entitled "Ford Greene" produced by Scientology in response to my first inspection demand in this case. I am familiar with "dead agent packs" and how they are used by the Scientology organization.
- 7. Attached hereto as Exhibit C is a copy of four pages from a "dead agent pack" relating to Judge Paul G. Breckenridge, Jr. produced by Scientology in response to my first inspection

demand in this case. Judge Breckenridge presided over the trial in the case of <u>Scientology v. Armstrong</u>, Los Angeles Superior Court No. C 420153 in 1984. I know that Judge Breckenridge, after ruling against the Scientology organization became the target of the organization's fair game practices, including being publicly accused of Nazi connections.

- 8. Plaintiff has claimed in its response to my request for inspection of documents that it does not possess my B-1 file or Guardian's Office intelligence files relating to me. Scientology did, however, produce some of these documents in the case of Julie Christofferson v. Scientology, in Portland Oregon in 1985, and did produce some in my own case (Armstrong I) in 1986. I am aware that CSI claims to be the successor "mother church" to Church of Scientology of California, plaintiff in Armstrong I.
- 9. Attached hereto as Exhibit D are pages from the declaration of David Miscavige executed February 8, 1994. At paragraph 54 Mr. Miscavige provides a description of an intelligence operation the Scientology organization ran against me from 1982 through 1985. I know Mr. Miscavige to be the supreme leader of the Scientology organization, and heard and saw him so state to Ted Koppel on the television show "Nightline."
- 10. Attached hereto as Exhibit E is a copy of part of a document entitled "Order Board and Time Machine" dated May 1, 1965, and the copyright page from the book in which it was reprinted in 1986. I studied this policy inside the organization and am familiar with its application. All orders in the

organization, except those given in an actual emergency, must be in writing. All orders must be complied with, and all compliance reports must to be in writing.

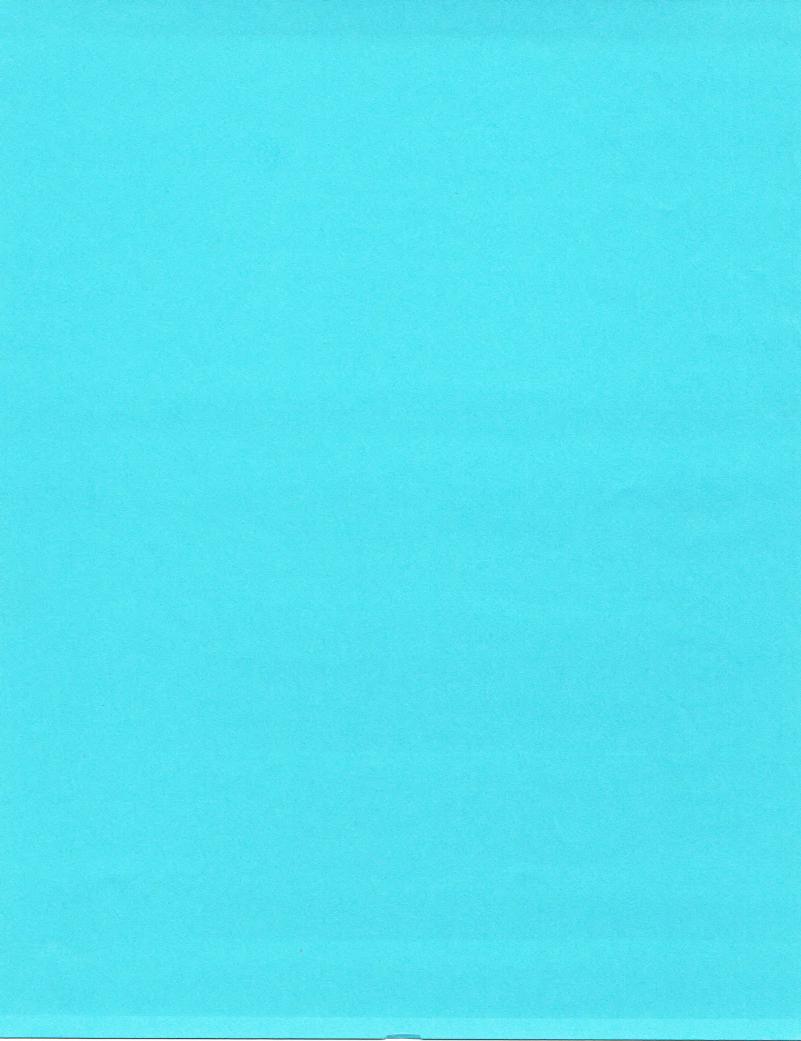
- 11. Attached hereto as Exhibit F is a copy of a document dated October 18, 1967 written by L. Ron Hubbard entitled "Penalties for Lower Conditions," which spells out Scientology's "fair game" doctrine. The letters "SP" refer to Scientology's concept for its enemies called "suppressive persons." Scientology has claimed that the fair game policy was canceled, but I know that it was not. Hubbard ordered that the term "fair game" not be used, but also ordered that the practice of dealing with "suppressive persons" as fair game continue.
- 12. Attached hereto as Exhibit G is a copy of a document dated February 18, 1982 entitled "Suppressive Person Declare Gerry Armstrong."
- dated September 20, 1984 entitled "Squirrels," in which I am listed as a "squirrel" and accused of "actions ... destructive and aimed at the enslavement ... of man." I was originally given a copy of said document in 1984 by an organization intelligence operative named David Kluge in an operation, the purpose of which was to entrap or frame me with the commission of a crime. The letters "OSA" refer to the Office of Special Affairs, which is indicated by this directive as being part of CSI.

I declare under the penalty of perjury under the laws

of the State of California that the foregoing is true and correct.

Executed at San Anselmo, California, on June 6, 1994.

GERALD ARMSTRONG



4 5

7 8

- I, LAWRENCE E. HELLER, declare as follows:
- 1. I am an attorney at law duly licensed to practice before all of the Courts of the State of California and am a principal in the law firm of Turner, Gerstenfeld, Wilk & Tigerman. In said capacity, I am responsible for the defense of the within action on behalf of defendants AUTHOR SERVICES, INC. ("ASI") and BRIDGE PUBLICATIONS, INC. ("BPI"). Furthermore, I was the attorney for ASI with regard to certain settlements in which ASI was a settling party which are referred to in these moving papers. Accordingly, all of the following information is of my own personal knowledge and I am available and competent to personally testify thereto if necessary.
- 2. I was personally involved in the settlements which are referred to in these moving papers which transpired some two and one-half years ago. Those settlements concerned well over a dozen plaintiff litigants as well as various Church of Scientology entities and other third parties sued as defendants. Those settlements also concerned ASI, a defendant in this matter, which was a co-defendant in one of those many actions. The settlement negotiations which took place stretched over the course of several months, culminating in a multi-week session in a hotel in the city of Los Angeles where most of the lawyers (and some of the parties) involved in litigation met extensively.
- 3. Settlement negotiations, which were not supervised by any court, were arduous and, as is often the case in these

instances, sometimes contentious. However, a "universal settlement" was ultimately entered into between the numerous parties. The universal settlement provided for non-disclosure of all facts underlying the litigation as well as non-disclosure of the terms of the settlements themselves. The non-disclosure obligations were a key part of the settlement agreements insisted upon by all parties involved.

4. The contractual non-disclosure provisions were the one issue which was not debated by any of the parties or attorneys involved. In the last two and one half (2-1/2) years the settlements have been carried out in good faith by all parties. I consider my contribution, as well as the contribution of the other attorneys involved in the settlements, to have been of great benefit to this and other Courts in that it alleviated literally months upon months of trial time which would have been necessary had the settlements not been properly effected.

I declare under penalty of perjury that the foregoing is true and correct.

Executed this __ day of ______ 1989, at Beverly Hills, California.

Lawrence E. Heller Declarant

PROOF OF SERVICE

STATE OF CALIFORNIA, COUNTY OF LOS ANGELES

I am employed in the county of Los Angeles, State of California. I am over the age of 18 and not a party to the within action; my business address is 8383 Wilshire Boulevard, Suite 510, Beverly Hills, California 90211.

On November 1, 1989, I served the foregoing document described as NOTICE OF MOTION AND MOTION OF DEFENDANT AUTHOR SERVICES, INC. TO DELAY OR PREVENT THE TAKING OF CERTAIN THIRD PARTY DEPOSITIONS BY PLAINTIFF; MEMORANDUM OF POINTS AND AUTHORITIES; DECLARATION OF LAWRENCE E. HELLER AND HOWARD SCHOMER IN SUPPORT THEREOF by placing [] the original [x] a true copy thereof enclosed in sealed envelopes addressed as follows:

Toby Plevin, Esq., 6380 Wilshire Boulevard, Suite 1600, Los Angeles, CA 90048

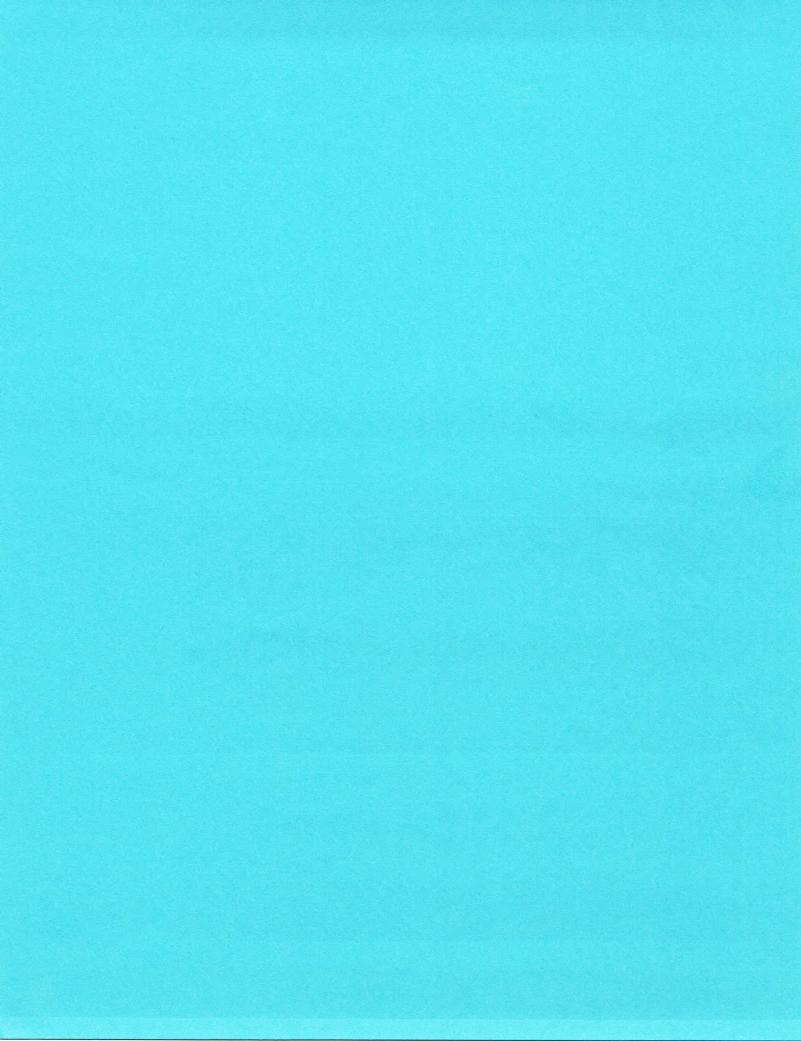
William Dresher, Esq., Wyman, Bautzer, Kuchel & Silbert Two Century Plaza, 14th Floor, 2029 Century Park East, Los Angeles, CA 90067

Kendrick Moxon, Esq., Bowles & Moxon
6255 Sunset Boulevard, Suite 2000
Hollywood, CA 90028

- [] BY MAIL I deposited such envelope in the mail at Beverly Hills, California. The envelope was mailed with postage thereon fully prepaid as follows: I am "readily familiar" with the firm's practice of collection and processing correspondence for mailing. Under that practice it would be deposited with U.S. postal service on that same day with postage thereon fully prepaid at Beverly Hills, California in the ordinary cause of business. I am aware that on motion of the party served, service is presumed invalid if postal cancellation date or postage meter date is more than one day after date of deposit for mailing in affidavit.
- [x] BY PERSONAL SERVICE I delivered such an envelope by hand to the offices of the addressee.
- [x] (State) I declare under the penalty of perjury under the laws of the State of California that the above is true and correct.
- [] (Federal) I declare that I am employed in the office of a member of the bar of this court at whose direction the service was made.

Executed on November 1, 1989, at Beverly Hills, California.

Susan J. Davis



that the turmoil and abuses and so on have gone on too long ... Hence we get together and discuss things. We have not discussed anything about a destruction of the tech, or Scientology is bad, or anything like that. Are we agreed?" SECTION 3

Breaches of Agreement

Armstrong's plan to take over Church management was foiled and in December 1986 he agreed to resolve his differences with the Church.

One of the settlement conditions was that he would not assist any persons litigating any claims against the Church. Armstrong has since changed his story about signing the settlement agreement and now claims that he was pressured into signing it, but that he put on a happy face and proceeded to sign and go along with it.

However, it is obvious from the video and transcript of Armstrong signing the settlement agreement that he knew exactly what he was doing. SECTION 4 (video is available)

In 1990, Armstrong began to undertake actions which directly violated the agreement he had made. This placed him at risk that the Church would move to collect the damages that Armstrong's breaches entitled it to. To make it impossible for the Church to collect any damages, he fraudulently conveyed all his property including real property, personal property and cash to his friends and to a corporation he set up for that purpose, which he called, "The Gerald Armstrong Corporation."

One of the recipients of Armstrong's assets was an attorney named Michael Walton. Prior to signing the settlement agreement with the Church, Walton had advised Armstrong about the terms and conditions of the agreement. Walton also knew of Armstrong's intention to breach the agreement and was thus fully aware of the fraudulent nature of the conveyance. SECTION 5

After transferring his assets, Armstrong went to the media and, in an eccentric interview, told them that he had given away all his money. SECTION 6

In early 1992, a lawsuit was filed against Armstrong to enforce the settlement agreement on him. On May 28, 1992, a preliminary injunction was ordered specifically prohibiting Armstrong from assisting any person arbitrating or litigating a claim against the Church. SECTION 7

Despite this order, Armstrong has continued to violate the settlement agreement. He has now stated both in deposition and in his letters that he has no intention of abiding by the preliminary injunction and that no court can order him to abide by the settlement agreement. SECTION 8

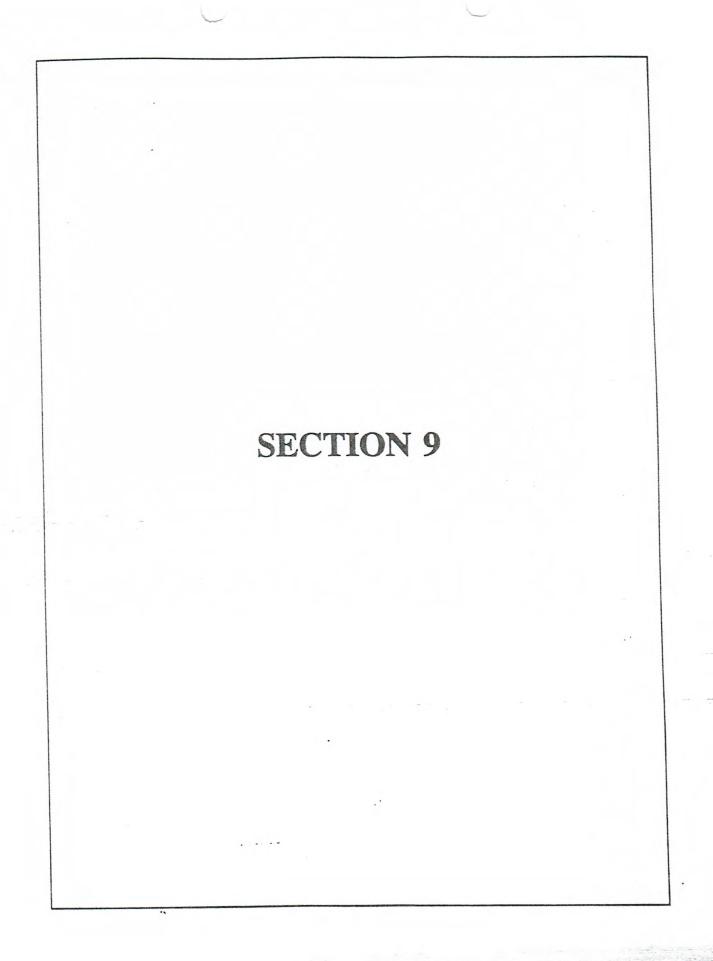
Ford Greene

Armstrong's attorney, Ford Greene, has been a long-time attacker of religious

movements. He has a history of using frivolous litigation tactics to delay and prevent cases from being tried. In August 1992, Greene was forced to pay \$6,167.23 in sanctions, plus \$797.81 in costs, to a fellow-attorney after Greene's dishonest and unprofessional litigation tactics were exposed in court.

The Sonoma Superior Court in California ordered Greene to compensate attorney John Maderious, who had been trying for eighteen months to bring to trial a case in which Greene represented the plaintiff. The case, once at trial, could have been disposed of in one hour. Maderious's declaration to the Court described Greene's stalling tactics, his deception and his purposeful failure to abide by court rules. **SECTION 9**

Maderious stated that, "Mr. Greene enjoys a unique status in my office. Mr Greene is the only attorney I have had any contact with in almost twenty years of practice who I refuse to speak with on the telephone. My response to telephone calls to Mr. Greene is to have my secretary tell him to fax anything to me that he has to tell me since I do not wish to talk to him on the phone. The reason for this is that Mr. Greene has demonstrated to me repeatedly that he is willing to say anything to attempt to further his interests, regardless of the truth."



10.en=11.18# 8FE FIL

5

10

12

13

14 15

16

17 18

19

20 21

22

23 24

26

25

2728

JOHN MADERIOUS Attorney at Law 801 Western Avenue Petaluma, CA 94952 (707) 762-0091

In Pro Per

FILED

JUN 1 7 1992 SONOMA COUNTY CLERK

Case No: 169106

VACATE TRIAL DATE

OPPOSITION TO MOTION TO

DECLARATION IN

Deputy Clark

SUPERIOR COURT OF THE STATE OF CALIFORNIA IN AND FOR THE COUNTY OF SONOMA

JOSEPH ANDREW SLATTERY,

Plaintiff,

v.

JOHN MADERIOUS and DOES 1 - 5, inclusive,

Defendants.

JOHN MADERIOUS, and JOHN MADERIOUS, INC.

Cross-complainants,

٧.

JOSEPH ANDREW SLATTERY, FORD GERENE, HUB LAW OFFICES, and DOES I through X, inclusive,

Cross-defendants

COMES NOW JOHN MADERIOUS and declares as follows:

1. I am a party of this action and make this declaration based upon my personal knowledge. All matters set forth herein are true of my personal knowledge. I am competent to testify to these matters and do so testify.

1

8

6

9

11 12

13

1415

16

17

18

19 20

21

22

23

24

25° 26

27

28

he had assumed was already set as a jury trial. In other words, in these circumstances the payment of jury fees indicates previous knowledge on the part of Mr. Greene that this was not a jury trial.

5. Mr. Greens enjoys a unique status in my office. Mr. Greene is the only attorney I have had any contact with in almost twenty years of practice who I refuse to speak with on the telaphone. My response to telaphone calls to Mr. Greene is to have my secretary tell him to fax anything to me that he has to tell me since I do not wish to talk to him on the phone. The reason for this is that Mr. Greene has demonstrated to me repeatedly that he is willing to say anything to attempt to further his interests, regardless of the truth. That is the reason that I personally signed the proof of service by mail, which is Exhibit C, to Mr. Greene's declaration. That proof of service by mail is correct in that as I stated on January 28, 1992, I mailed the Joint At Issue Memorandum approximately one year previously, on January 30, 1991, with my letter of January 30, 1991 to Mr. Greene at his correct address. If Mr. Greene wished a jury trial he should have responded to that document as he was legally (by local rule) required to do. In short, Mr. Greene has purposefully created this opportunity to again attempt to secure a continuance of the trial date. This motion could have been made long ago if there were a factual basis for it, and there is no excuse for making such a motion on the date of trial. Mr. Greene's admitted fault is more egregious than he admits and he should not be rewarded for purposefully ignoring 200352 his obligations.

proceed to court trial. My estimated time for completion of this Court trial is thirty to sixty minutes.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed in Petaluma, California, on June 16, 1992.

JOHN MADERIOUS

FLBLII FAX BENOMA COUNT

JOHN MADERIOUS Attorney at Law 801 Western Avenue Petaluma, CA 94952 (707) 762-0091

16:46

Exerce,

AUG 10 1992

SONOMA COUNTY OLERA

By Duskul

=.03

In Pro Per

9 73

1

5

6

7

8

9

10

11

12

13

14

15

SUPERIOR COURT OF THE STATE OF CALIFORNIA

IN AND FOR THE COUNTY OF SONOMA

JOSEPH ANDREW SLATTERY,

Plaintiff,

Case No: 169106

JUDGMENT AFTER COURT TRIAL .

V.

JOHN MADERIOUS and DOES 1 - 5, inclusive,

Defendants.

16

17

18

19

20

21

22

JOHN MADERIOUS, and JOHN MADERIOUS, INC.

Cross-complainants,

V.

JOSEPH ANDREW SLATTERY, FORD GREENE, HUB LAW OFFICES, and DOES I through X, inclusive,

Cross-defendants

23

24

25

26

27

28

Court trial in this matter began before HONORABLE RAYMOND

J. GIORDANO on June 17, 1992 and ended June 23, 1992 with the
exception of points and authorities to be filed on various dates
ending July 1, 1992, when the matter was submitted. All parties

18 81

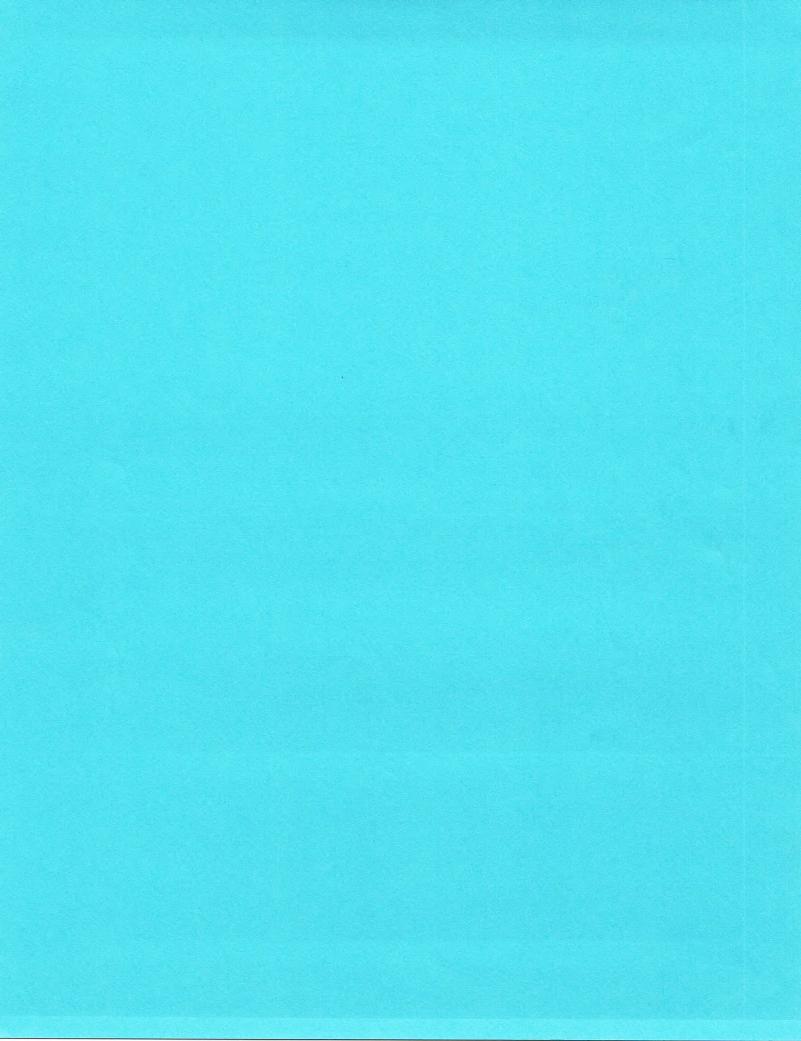
appeared personally at trial, including Plaintiff and Cross-defendant JOSEPH SLATTERY, represented by FORD GREENE, and JOHN MADERIOUS, Defendant and Cross-complainant, In Pro Per, and FORD GREENE, Cross-defendant In Pro Per. All matters having been submitted for decision and the Court having reviewed all the evidence, files and pleadings, the Court renders judgment as follows:

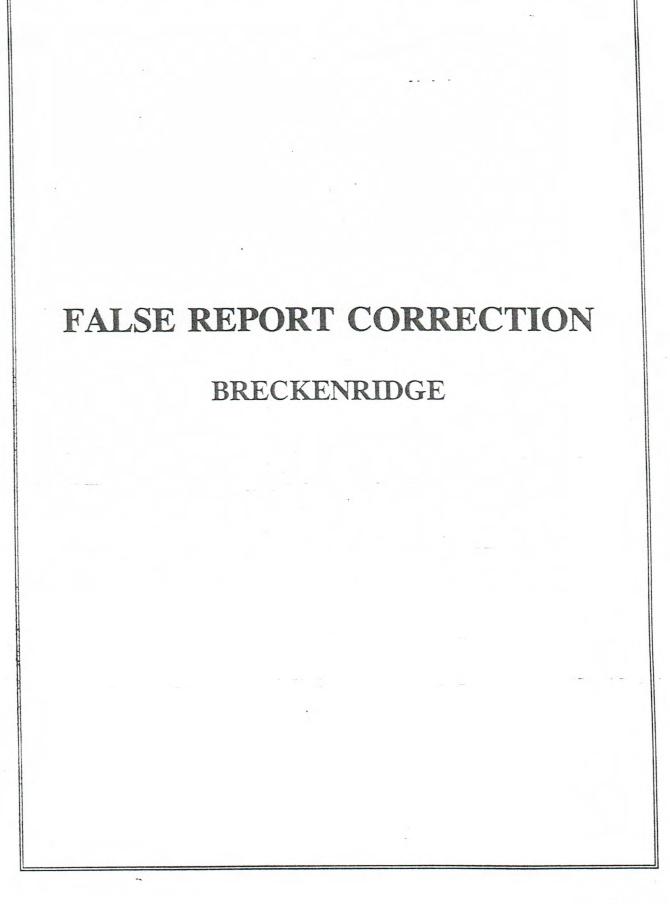
1. On the Complaint, the Court grants the defense motions for judgment pursuant to <u>C.C.P. \$631.8(a)</u> as to all causes of action. After weighing all the evidence, it is the Court's determination that the Plaintiff presented no evidence of recoverable damages proximately resulting from the alleged conduct of the Defendant. The granting of the motions for judgment is also based upon the holding of <u>Merenda v. Superior Court (1992) 3 Cal.App. 4</u>, p.1. Therefore, on the Complaint it is the judgment of the Court that Plaintiff take nothing by his Complaint and Defendant JOHN MADERIOUS recover costs pursuant to appropriate costs memorandum, if any.

on the Cross-complaint, based upon the stipulation of the parties, the Court awards Cross-complainant the costs he advanced in the matter of Slattery v. Katics in the amount of \$1,251; further, the Court awards Cross-complainant a quantum meruit recovery in the amount of \$4,916.33 for a total judgment on the Cross-complaint of \$6,167.33 as against Cross-defendants

/// =

JOSEPH ANDREW SLATTERY and Cross-defendant FORD GREENE, plus costs to be established by appropriate memorandum, if any. DATED: AUG 1 2 1992992 APPROVED AS TO FORM: DATED: FORD GREENE





CHURCH OF SCIENTOLOGY OF CALIFORNIA (Plaintiff)

VS

GERALD ARMSTRONG (Defendant)

June 20, 1984

Gerry Armstrong is a former clerk for the Church of Scientology of California who, as part of his duties, was entrusted with the care of thousands of pages of personal records belonging to L. Ron Hubbard. In December 1981, Armstrong left the Church, and took with him over 10,000 pages of records belonging to Mr. Hubbard, Mrs. Hubbard and the Church. This included 5,000 pages of original documents for which no copy was left behind.

In August 1982, the Church filed suit against Armstrong for return of these documents. Judge Paul Breckenridge, who presided over the case in the California Superior Court, admitted that in taking the documents, Armstrong "may have engaged in overkill, in the sense that he took voluminous materials, some of which appear only marginally relevant to his defense." Armstrong pleaded "justification," claiming that his theft of the materials was necessary as insurance against suits or attacks against him by the Church.

Apart from his comments on Armstrong's "overkill," Breckenridge's findings were highly negative about the Church and Mr. Hubbard, showing the extent to which false reports aired in the courtroom by Armstrong had impinged on him.

Since the case was heard, Armstrong has adopted a hippy life-style. He is the self-proclaimed founder of the "Organization of United Renunciants." A November 1992 article in the Marin Independent Journal featured a photograph of an apparently naked Armstrong, eyes closed and smiling, sitting in a lotus position embracing a globe.

The article stated that "Gerald Armstrong has an idea for dealing with the national debt — write it off. Forget it. It doesn't exist."

"It's that easy.

"The novel prescription for fixing the fiscal fiasco is only part of Armstrong's larger message that money should be abolished. ... Armstrong can count only a handful of friends as converts, but he is trying to get the word out. Detailed proposals have gone out to Bill Clinton, Ross Perot and Pete Wilson (no one has tapped him for an economic advisory post just yet). He has also written to the New York Times and other mega-media.

"Ted Koppel has not called."

Section 1 ..

FALSEHOOD IN FINDINGS BY JUDGE BRECKENRIDGE:

"The Church or its minions is fully capable of intimidation or other physical or psychological abuse if it suits their ends. The record is replete with evidence of such abuse."

TRUE INFORMATION

Incontrovertible evidence, not available at the time of the trial and not permitted to be included in the appeal record, has established that Armstrong's justification defense was a fraud upon the court, designed to avoid liability for his tortious conduct and to prevent fair adjudication of the Church's claims.

As the custodian of confidential Church papers, Armstrong had a fiduciary responsibility not to disclose these documents to individuals outside the Church. In breach of this obligation, Armstrong loaned the documents to one Omar Garrison, an author who at one time had been retained to write a biography of Mr. Hubbard, a project which fell through. Armstrong gave these documents to Garrison not to assist him in writing the biography but to enable Garrison to deliver them to attorneys representing litigants involved in suits against the Church.

In April 1982, Armstrong also made contact with Michael J. Flynn, who was the lead attorney in more than a dozen lawsuits against the Church. Armstrong showed Flynn two of the most intensely private archival documents. Thereafter, from May until August 1982, Armstrong continued to give stolen documents to Flynn for use in Flynn's cases against the Church, even though the litigation did not involve Armstrong. Ultimately, Armstrong gave Flynn thousands of documents, including original and private naval records and diaries of Mr. Hubbard from the 1940s.

On May 26 and May 27, 1982, the Church wrote to Armstrong demanding return of all the stolen documents, but Armstrong denied having them. Subsequently, Armstrong admitted that he indeed had possessed the stolen documents on those dates.

Trial began in May 1984. The Court received the testimony of Armstrong and his witnesses, many of whom were clients of attorney Flynn in other actions against the Church. These witnesses for Armstrong were permitted to testify as to Armstrong's purportedly imperiled state of mind. The Court did not permit the Church to present any of its own witnesses to rebut the testimony of hostile witnesses about Armstrong's alleged "state of mind."

Breckenridge also heard "evidence" from Armstrong consisting of distortions, half-truths, and outright falsehoods, amounting to a justification defense that Armstrong had stolen the documents to protect himself in the event of "retaliation" by the Church.

Since the trial, the Church has discovered new evidence which was completely unavailable at the time of trial. This evidence shows conclusively that Armstrong's "justification" defense was a sham and a fraud. He was not remotely in fear of retaliation by the Church and

was actively plotting the Church's downfall.

Armstrong considered the stolen materials useful not only as a lever against the Church and the Hubbards in then- ongoing litigation with Flynn's clients, but he also sought to use the materials in pursuit of his plan to undermine the Church for his own financial benefit.

As part of his plan, Armstrong actively sought out Church staff members who would be willing to "defect" and assist him in discrediting Church leadership. After leaving the Church, he contacted Church member Daniel Sherman to enlist Sherman's aid in attacking the Church. Sherman, without Armstrong's knowledge, consulted Church staff for advice. It was decided that the Church would obtain authorization from the Los Angeles Police Department to make "undercover" videotapes of Armstrong's conversations with Sherman and any other Church dissidents or defectors.

The police authorized the investigation and videotapes, at which point Sherman embarked on an effort to ascertain the full extent of Armstrong's intentions.

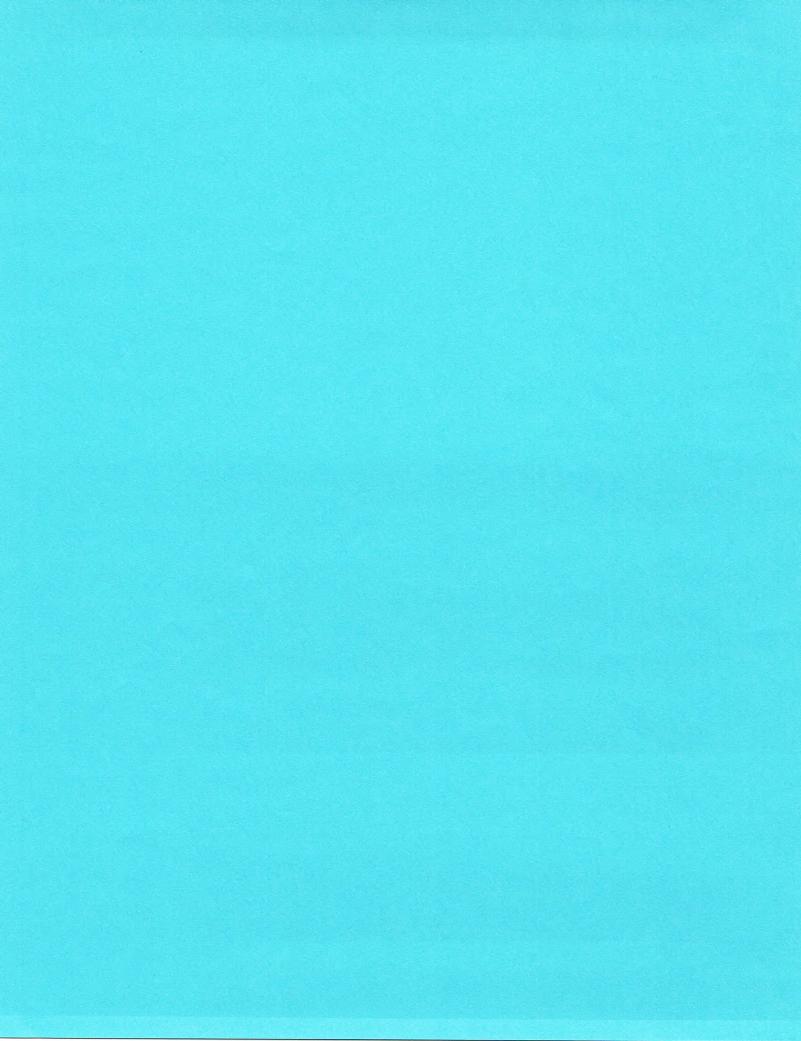
Sherman informed Armstrong that a group of staff members who were dissatisfied with Church management might be interested in working with him in his efforts to undermine the Church. This wholly fictitious group was dubbed "the Loyalists."

Sherman enlisted the aid of two other persons, David Kluge and Mike Rinder, who agreed to pose as "Loyalists" and meet with Armstrong. Kluge assumed the code name "Joey," and first met with Armstrong in the late summer of 1984.

Armstrong told "Joey" that part of his plan was to use the auspices of the Internal Revenue Service to attack the Church. Armstrong wanted "Joey" to plant in the Church's files the documents Armstrong would fabricate, so that Armstrong could tell the Criminal Investigation Division (CID) of the Los Angeles IRS office to conduct a raid and find the "incriminating" documents. He reassured "Joey" that he would be able to create the needed documents "with relative ease" since he had done "it for a living."

Armstrong also explained to "Joey" how he intended to go about forging the new documents, based on his experience: ARMSTRONG: "So it seems to me that the use of the communication lines, I don't know maybe you guys are using them, but it seems to me that you don't have a way of printing anything to get an issue on the lines, used for anything. Right? I'm saying that I can do it. I can type those goddam things and duplicate them and make them look exactly the same. You can't, you would not be able to tell the difference."

Armstrong also made it clear that he had developed a personal program intended to undermine and eventually destroy the Church. His goals were to oust the current management of Scientology, to obtain an advisory position within the restructured Church by becoming a consultant to the "Loyalists" and to plunder the Church for his own financial gain. His program to remove current Church management included the filing of a civil suit, based on evidence that



William T. Drescher 23679 Calabasas Road, Suite 338 Calabasas, California 91302 2 (818) 591-0039 3 Michael Lee Hertzberg 740 Broadway 4 New York, New York 10003 5 (212) 982-9870 6 Attorneys for Non-Party DAVID MISCAVIGE 7 8 9 UNITED STATES DISTRICT COURT 10 FOR THE CENTRAL DISTRICT OF CALIFORNIA 11 12 CHURCH OF SCIENTOLOGY) CASE NO. CV 91-6426 HLH(Tx) INTERNATIONAL, a California Non-Profit Religious Organization, DECLARATION OF DAVID MISCAVIGE 14 Plaintiff, 15 16 VS. 17 18 STEVEN FISHMAN and UWE GEERTZ, 19 20 Defendants. 21 22 23 I, DAVID MISCAVIGE, declare and say: I am over 18 years of age and a resident of the State 24 25 of California. I have personal knowledge of the matters set forth in this declaration and, if called upon as a witness I could and would competently testify thereto. 27

I am not a party in the above-referenced case, nor am I

3

5

8

11

12

14

15

18

21

22

23

24

26

27

- 53. The CID's massive investigation was ultimately rejected outright by the Justice Department. However, the IRS dossier on me, an accumulation of over 100,000 pages of documents -- the largest in the Service's history -- was filled with falsehoods from a handful of bitter former Scientologists and ex-GO like Mr. Young. It contained the same allegations that have been repeatedly disproved, but which are nevertheless being made again in this case.
- 54. For example, Mr. Young repeats the allegations made by Gerry Armstrong that the Church practices "Fair Game" and that Gerry Armstrong was in "fear of his life." To bolster the validity of this allegation, Vaughn Young refers to the Breckenridge decision. What Mr. Young fails to disclose, however, is the fact that following that opinion, Armstrong was proven a liar. In a police-sanctioned investigation, Gerry

Armstrong was captured on video tape acknowledging his real motives, namely a plot to overthrow the Church leadership and gain control of the Church. On those very video tapes, Armstrong acknowledges he not only isn't "afraid," but that he "will bring the Church to its knees." While plotting his overthrow attempt he gives advice that the Church should be accused of various criminal acts. When told no evidence exists to support such "charges," he responds, "just allege it." It should be noted that while Gerry Armstrong had been an "informant" during the IRS criminal investigation, based on these tapes and statements, the IRS dropped him as a witness, thereby repudiating his credibility. Vaughn and Stacy Young were fully aware of these facts as Stacy wrote the cover story in Freedom Magazine that exposed Armstrong's plot.

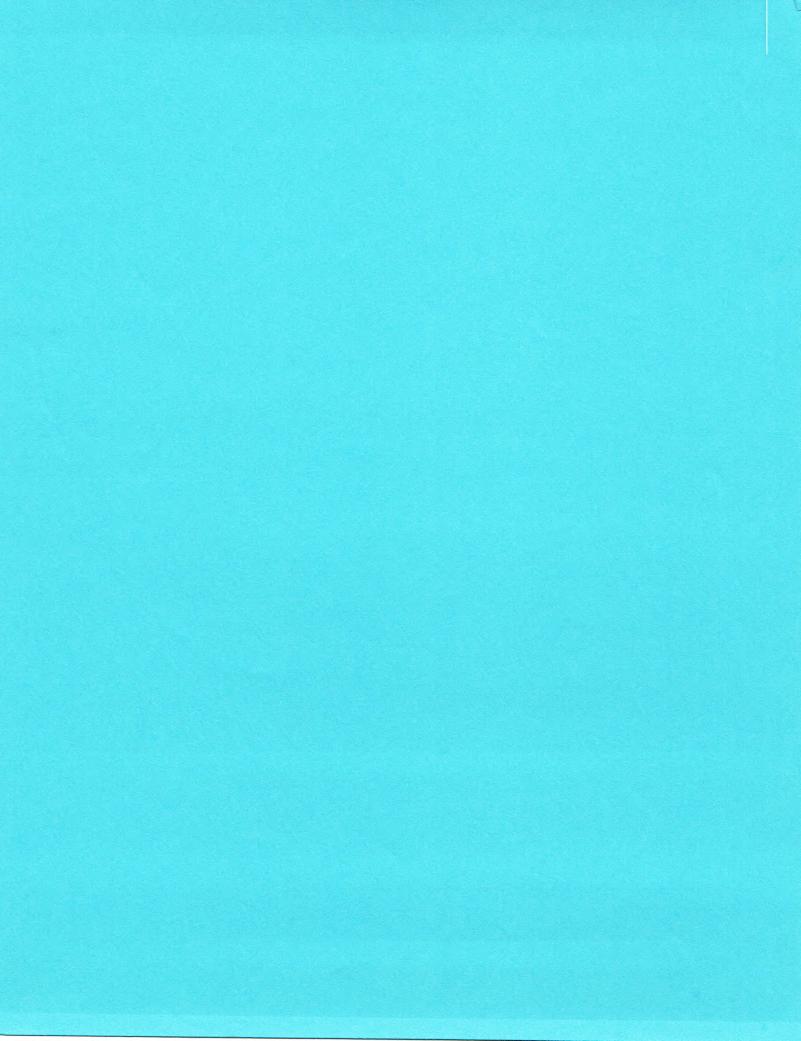
with respect to the Church generally and me personally. Years later, IRS Internal Security agent Keith Kuhn filed a declaration in several cases, falsely accusing me of threatening another IRS agent with whom I had never spoken in my life. That declaration was stricken as unsupported and scurrilous, and the IRS was ordered by Judge Keller of this Court to pay sanctions for having filed it at all. [Ex. B, Order and transcript, Church of Scientology of California v. IRS, No. CV 90-5638 WDK (C.D.Cal.)]

to creating not just false allegations, but false documents as well. In 1984, a former staff member, who was employed by a splinter group that was seeking to pull Scientologists away from the Church for the splinter group's profit, created a forged

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed this day of February 1994, at Riverside County, California.

BAVID MISCAVIGE



Published in the USA by Bridge Publications, Inc. 1414 N. Catalina Street Los Angeles, California 90027

Organization Executive Course Volume 0 ISBN 0-88404-178-6 Complete Set ISBN 0-88404-033-X Library of Congress Catalog Card No. 82-71055

> Published in all other countries by New Era Publications ApS Store Kongensgade 55 1264 Copenhagen K, Denmark

Organization Executive Course Volume 0 ISBN 87-7336-300-6 Complete Set ISBN 87-7336-308-1

Copyright © 1986 L. Ron Hubbard Library. All Rights Reserved.

This book is part of the works of L. Ron Hubbard, who developed DIANETICS mapplied religious philosophy. It is presented to the reader as a record of observations and research into the nature of the human mind and spirit, and not as a statement of claims made by the author. The benefits and goals of SCIENTOLOGY can be attained only by the dedicated efforts of the reader.

The Hubbard® Electrometer, or E-Meter™ confessional aid, is a device which is sometimes used in DIANETICS and SCIENTOLOGY counseling. In itself, the E-Meter does nothing. It is not intended or effective for the diagnosis, treatment or prevention of any disease, or for the improvement of health or any bodily function.

No part of this book may be reproduced without permission of the copyright owner.

DIANETICS, SCIENTOLOGY, SCIENTOLOGIST, CELEBRITY CENTRE, E-METER, FLAG, HCO, ABILITY magazine, ADVANCE! magazine, CAUSE magazine, CELEBRITY magazine, CENTRE magazine, COMMUNICATION magazine, SOURCE magazine, THE AUDITOR magazine, KSW NEWS magazine, UNDERSTANDING magazine, the SCIENTOLOGY symbol and the DIANETICS symbol in circle are trademarks and service marks owned by RELIGIOUS TECHNOLOGY CENTER®. SCIENTOLOGIST is a collective membership mark designating members of the affiliated Churches and Missions of Scientology.

Editorial assistance provided by

Denise Delderfield, Natalie Fisher, Gary Miller, Jed Wolfe, D. Kay Halloran, Shawn Linderman, Ann Geiberger

HUBBA D COMMUNICATIONS OFFICE Saint Hill Manor, East Grinstead, Sussex

HCO POLICY LETTER OF 1 MAY 1965 Issue II

Remimeo Exec Hats Comm Hats D Insp & Rpts Hats

ORDER BOARD AND TIME MACHINE

Executives must have and use an "Order Board."

In Scientology if it is not written it is not true. That's a major policy.

It applies to all.

Every order an executive issues must be in writing.

He does this on a clipboard. There is a sheaf of paper on it of his division's color. It has a sheet of pencil carbon and a ballpoint slipped through the top of the clip. It can have a hook on the back to slip on a belt for persons walking about. This is the Order

Even when one gives a verbal order it is also written down.

The executive keeps no copies of his orders. This is done by the Department of Inspection and Reports.

The original is handed to the person being ordered. The other is sent to the Inspection Section of the Department of Inspection and Reports. If one is away from his comm station, the carbons are left on the Order Board until one returns, when the copies are all sent to Inspection.

COMMUNICATOR ACTION

The carbon of an order is sent to Inspection because it is obviously a carbon copy and an order. It is not otherwise designated.

An original sent through the comm lines is obviously an original order as it is not a carbon. It is simply delivered to the addressee's basket.

JUNIOR'S ACTION

The person receiving the order does it, says he has (or couldn't) on the original order he received and sends it TO INSPECTION. However, even if he sends it to his issuing superior, the communicator sends it to Inspection only.

INSPECTION ACTION

Inspection has a Time Machine. This is a series of baskets advanced one basket every morning.

A carbon of an order is placed in today's basket.

When the original comes in, the carbon is dug out of the basket (by date and color flash) and original and carbon are clipped together and routed to the issuing executive.

Orders not complied with in one week of course fall off the Time Machine by

et

aj

01

CC

CC

ar yc

re

da

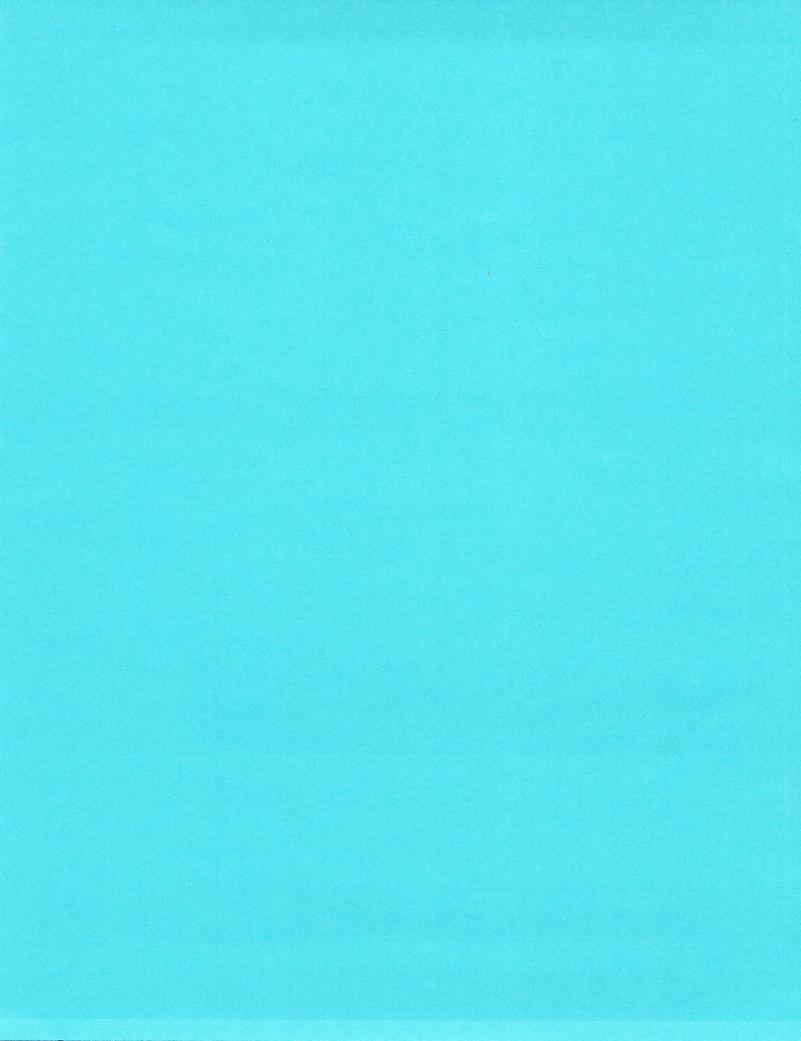
01 Se

m 01 th

aı

& meeting yee

C



X-

HUBBARD COMMUNICATIONS OFFICE Saint Hill Manor, East Grinstead, Sussex

Remimeo

HCO POLICY LETTER OF 18 OCTOBER 1967 Issue IV

PENALTIES FOR LOWER CONDITIONS (Applies both Orgs and Sea Org)

- LIABILITY Suspension of Pay and a dirty grey rag on left arm and day and night confinement to org premises.
- TREASON Suspension of pay and deprivation of all uniforms and insignia, a black mark on left cheek and confinement on org premises of dismissal from post and debarment from premises.
- DOUBT Debarment from premises. Not to be employed. Payment of fine amounting to any sum may have cost org. Not to be trained or processed. Not to be communicated or argued with.
- ENEMY SP Order. Fair game. May be deprived of property or injured by any means by any Scientologist without any discipline of the Scientologist. May be tricked, sued or lied to or destroyed.

LRH:jp Copyright c 1967 by L. Ron Hubbard ALL RIGHTS RESERVED

L. RON HUBBARD Founder



FLAG CONDITIONS ORDER 6664

18 February 1982

SUPPRESSIVE PERSON DECLARE

GERRY ARMSTRONG

GERRY ARMSTRONG of California is hereby declared a SUPPRESSIVE PERSON for the following Crimes and High Crimes.

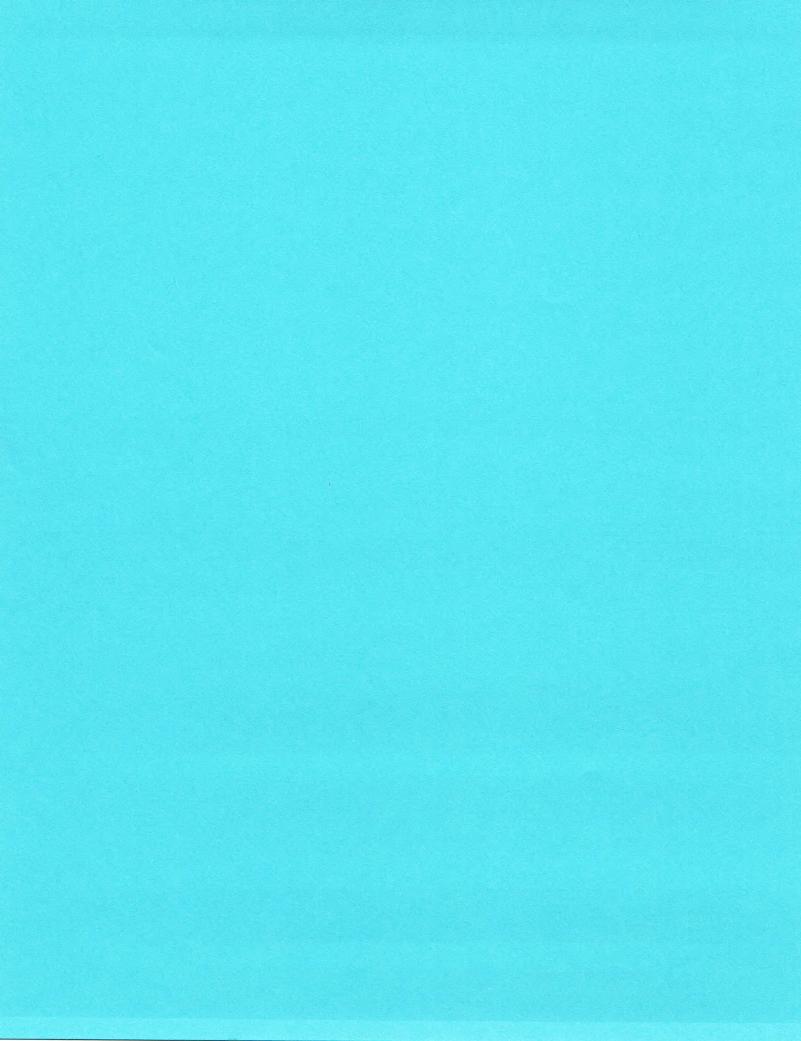
- 1. Violation of HCO PL 7 December 1976 LEAVING AND LEAVES, which states: "Where a person is secretly planning to leave and making private preparations to do so without informing the proper terminals in an org and does leave (blow) and does not return within a reasonable length of time an automatic Declare is to be issued."
- 2. Spreading destructive rumours about senior Scientologists.
- Announcing departure from Scientology (but not by reason of leaving an organization, a location or situation or death).

Gerry took an unauthorized leave at Christmas and has refused to return and route out properly, although he has been contacted and requested to do so. Following his blow he has made statements to the effect that he is no longer a Scientologist and that the tech does not work. He has also made derogatory statements to three staff members concerning a Senior Scientologist. Gerry has also stated that people should leave Scientology.

Should Gerry come to his senses and wish to recant, he is to apply steps A-E of HCO PL 16 May 80 Iss III ETHICS, SUPPRESSIVE ACTS, SUPPRESSION OF SCIENTOLOGY AND SCIENTOLOGISTS. Should he fail to apply these steps he will be expelled from the Church of Scientology and debarred from Advanced Courses. Should he claim the label to be false, he may request a Committee of Evidence, per the above referenced policy.

His only terminal is the Continental Justice Chief PAC.

PO1 Paul Laquerre
International Justice Chief
Authorized by
AVC
for the
CHURCH OF SCIENTOLOGY
INTERNATIONAL



3 P/c/89

EXECUTIVE DIRECTIVE

OSA INT ED 19
ALL SCIENTOLOGISTS
PUBLIC NOTICE BOARD
STAFF NOTICE BOARD

20 September 1984

SQUIRRELS

The following people have demonstrated that they cannot be trusted with the religion of Scientology or Scientologists. Their actions are destructive and aimed at the enslavement rather than the freedom of man.

Dede Voegeding Kima Douglas Gerry Armstrong John Nelson Laurel Sullivan David Mayo

The above named squirrels have attempted to taint government with their false reports.

They have deliberately held policy up to scorn and altered such policies to suit their own destructive end.

Some of these squirrels have offered false testimony to the IRS in order to protect their overts against mankind and their only road out of this universe.

Saveral of them have misrepresented Scientology practices to the FBI or Justice Department in a futile attempt to taint the minds of the government and the courts against the Church of Scientology.

They have supported psychiatric aims and principles over Scientology principles in their misrepresentations to Department of Justice representatives as well as Boston lawyer Michael Flynn.

They have turned from ethical and moral Scientology principles by demanding no ethics be applied to them or by them.

Several of the have spoken out against cientologists in good standing to the IRS in a hope that they light escape from their own destructive acts and shift attention from themselves and their crimes.

They have altered and assisted in the alteration of Tech in an attempt to seal off the bridge to those who have fallen prey to their destructive intentions.

They have altered and assisted in the alteration of Tech in an attempt to seal off the bridge to those who have fallen prey to their destructive intentions.

Their continued harmful acts to themselves and their continued desire to drag others to the level of beasts and animals devoid of spiritual qualities places them in the psychiatric camp of those who manufacture madness for profit.

Therefore, be it known that these acts of spiritual destruction and cries for no ethics, no morals, and no policy, have separated them from the body of the ethical and practicing Scientologists of this planet.

-2-

Dedicated Scientologists need not support them until they have fully recanted and fully fulfilled all of the requirements of the Ethics and Justice Pis dealing with suppressives and suppressive acts.

This ED is written that those who are not informed as to the acts of those named above may now be so informed.

It is written so that those who are not Scientologists may be warned that these individuals do not represent the Church or the religion of Scientology in any capacity.

Their only terminal is the International Justice Chief.

CO OSA INT

Authorized by AVC INT

for the CHURCH OF SCIENTOLOGY INTERNATIONAL

6

CSI:AVCI:COOSAI:ts

(c) 1984 CSI

All Rights Reserved